

CITY OF BEDFORD

Bedford, Virginia

Regular Council Meeting

A G E N D A

October 11, 2005

7:30 p.m.

Administrative

Approval of Minutes
Report of City Manager
Council Comments
Report of Council Committees
Revisions to Agenda

Public Hearings

Consent Agenda

1-P/CD-13-1-10-11

Appointment of Member – Redevelopment and Housing Authority (roll call)

Old Business

New Business

2-CITY-20-3-10-11

Resolution - Extension of Cable Television Franchise (roll call)

3-CITY-10-11

Resolution - Purchase of Property for Solid Waste Transfer Station (roll call)

4-P/CD-15-3-1-10-11

Lease of Property to Bedford Chamber of Commerce, Inc.

**CITY OF BEDFORD, VIRGINIA
CITY COUNCIL
ACTION FORM**

ITEM: Consent Agenda

DATE OF COUNCIL MEETING: October 11, 2005

DATE: October 3, 2005

PRESENTATION:

Appointment of Member – Redevelopment and Housing Authority

The term of Allen F. Persinger on the Redevelopment and Housing Authority expires on October 13, 2005. Mr. Persinger has requested reappointment for a four-year term. The vacancy has been advertised in the local newspaper and no other citizens have volunteered to serve.

ACTION REQUESTED:

Council is requested to reappoint Allen F. Persinger to a four-year term on the Redevelopment and Housing Authority, said term to expire October 13, 2009.

		YES	NO	OTHER	<u>ROUTING</u>	
DATE:_____	FLOOD	()	()	()	CITY ATTY.	() HR ()
	HUBBARD	()	()	()	CITY TREAS.	() PKS/REC/CEM ()
APPROVED ()	MESSIER	()	()	()	COMM.DEV.	() POLICE ()
DENIED ()	PADGETT	()	()	()	COMM.REV.	() PUBLIC WKS. ()
DEFERRED TO:	STANLEY	()	()	()	ELECTRIC	() SEWER ()
_____	THARP	()	()	()	ENGINEERING	() WATER ()
	WANDREI	()	()	()	FINANCE	() OTHER:_____
					FIRE DEPT.	()

MEMORANDUM

TO: Debra Anderson, Administrative Assistant

FROM: Bart Warner, Planning Director *BW*

DATE: October 3, 2005

RE: Housing and Redevelopment Authority

I spoke with Al Persinger this afternoon at 1:50 PM and he indicated his desire to be reappointed to serve another term on the City Housing and Redevelopment Authority.

As his term expires October 13, 2005, please include this on the agenda for the City Council meeting scheduled for October 11th.

Thank you.



**CITY OF
BEDFORD**
A MAIN STREET CITY

P.O. Box 807
Bedford, VA
24523
(540)587-6022

**CITY OF BEDFORD, VIRGINIA
CITY COUNCIL
ACTION FORM**

ITEM: Resolution – Extension of Cable Television Franchise

DATE OF COUNCIL MEETING: October 11, 2005

DATE: October 5, 2005

PRESENTATION:

The current cable television franchise expired on July 18, 2005. It was extended to October 18, 2005, during the June 28, 2005, Council meeting. There was a delay in delivering a pole attachment agreement to Charter (this was delivered to them on August 23, 2005) and Charter has been slower than expected in having locally negotiated items approved at the corporate level. As such, it is not likely that the agreement will be finalized in time to hold the required public hearings prior to October 18, 2005. We are actively negotiating with Charter Communications and progress is being made on a new agreement. It is in the City's interest to extend the franchise to allow the successful negotiation of a new agreement. The attached resolution proposes extending the franchise for six months, to expire on April 18, 2006, and continues all of the obligations of the current franchise and ordinance.

ACTION REQUESTED:

City Council is requested to adopt a Resolution extending the current cable television franchise to April 18, 2006.

		YES	NO	OTHER	ROUTING	
DATE:_____	FLOOD	()	()	()	CITY ATTY. ()	HR ()
	HUBBARD	()	()	()	CITY TREAS. ()	PKS/REC/CEM ()
APPROVED ()	MESSIER	()	()	()	COMM.DEV. ()	POLICE ()
DENIED ()	PADGETT	()	()	()	COMM.REV. ()	PUBLIC WKS. ()
DEFERRED TO:	STANLEY	()	()	()	ELECTRIC ()	SEWER ()
_____	THARP	()	()	()	ENGINEERING ()	WATER ()
	WANDREI	()	()	()	FINANCE ()	OTHER:_____
					FIRE DEPT. ()	

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEDFORD EXTENDING
THE CABLE TELEVISION FRANCHISE AGREEMENT**

WHEREAS, pursuant to the Communications Act of 1934, as amended, 47 U.S.C. Section 521 et. Seq., the City may grant or renew a franchise to construct, operates and maintains a cable television system within the City limits;

WHEREAS, the current cable television franchise held by Charter Communications Inc. was previously extended from a term expiring on July 18, 2005 to a term expiring on October 18, 2005;

WHEREAS, the negotiations between the City of Bedford and Charter Communications are still ongoing; and

WHEREAS, the City has determined that it is appropriate and in the best interest of the City to amend the Franchise to extend its term until April 18, 2006 to provide additional time to conclude the franchise renewal negotiations; and

WHEREAS, the City Council of Bedford has determined that it is in the best interest of the citizens of the City to extend the existing cable Franchise Agreement to provide time for the renewal process with Charter pursuant to an updated Cable Television Ordinance which reflects recent changes in the industry.

NOW THEREFORE, be it resolved by the City Council of the City of Bedford, Virginia:

Section 1. That the term of the Franchise Agreement between the City and Charter is hereby amended to extend the current cable television franchise agreement to April 18, 2006. All other provisions of Franchise Agreement shall continue in full force and effect, and

Section 2. That Charter operates the cable system in the same manner as operated prior to this extension.

Section 3. The Franchisee continues to assume all obligations and liabilities of the Franchise, Cable Ordinance, this Resolution, transfer resolutions, all amendments thereto, any covenant, condition and agreements between the City and the Franchisee including without limitation, all obligations of the Franchisee as are currently required to be preformed, but have not been preformed.

Section 4. This Resolution shall take effect and be in force from and at the earliest time permitted by law.

**CITY COUNCIL
BEDFORD, VIRGINIA**

By: _____
Mayor

Attest:
Clerk of the Council

Clerk of the Council

**CITY OF BEDFORD, VIRGINIA
CITY COUNCIL
ACTION FORM**

ITEM: Resolution - Purchase of Property for Solid Waste Transfer Station

DATE OF COUNCIL MEETING: October 11, 2005

DATE: October 6, 2005

PRESENTATION:

The City Council, on September 27, 2005, approved the purchase from Mrs. Kitty Johnston, for a price of \$3,000, of a small strip of land between the existing landfill property and a lot fronting on Orange Street already owned by the City. The property will be used as part of the proposed solid waste transfer station.

Pursuant to the purchase agreement between the City and Mrs. Johnston, the City Attorney has prepared a deed conveying the property from Mrs. Johnston to the City. The City Attorney has also prepared a Certificate of Approval and Acceptance of Conveyance executed by the Mayor, the City Clerk and the City Attorney, formally accepting the deed. Recordation of this instrument will comply with state law requirements that the City Attorney approve the form of any deed to the City and that any deed conveying land to the City be approved by the City either on the face of the deed or in a separate document.

The City Attorney has prepared a Resolution to be passed by the City Council authorizing the formal approval and acceptance of the conveyance.

ACTION REQUESTED:

City Council is requested to adopt the Resolution approving and accepting the deed of conveyance from Kitty Lee F. Johnston, dated October 4, 2005 conveying 0.44 acres to the City of Bedford.

		YES	NO	OTHER	ROUTING	
DATE: _____	FLOOD	()	()	()	CITY ATTY.	()
	HUBBARD	()	()	()	CITY TREAS.	()
APPROVED ()	MESSIER	()	()	()	COMM.DEV.	()
DENIED ()	PADGETT	()	()	()	COMM.REV.	()
DEFERRED TO:	STANLEY	()	()	()	ELECTRIC	()
_____	THARP	()	()	()	ENGINEERING	()
	WANDREI	()	()	()	FINANCE	()
					FIRE DEPT.	()
					OTHER:	_____

**RESOLUTION APPROVING AND ACCEPTING
CONVEYANCE OF REAL ESTATE ON
ORANGE STREET FROM
KITTY LEE F. JOHNSTON**

WHEREAS, the City of Bedford has negotiated with Kitty Lee F. Johnston and has obtained an agreement to purchase for a price of \$3,000, certain real estate located on Orange Street, which property become a part and parcel of the adjoining real estate owned by the City of Bedford fronting on the south side of Orange Street containing 2.098 acres; and

WHEREAS, the City has caused a survey to be prepared showing the meets and bounds of the proposed purchase containing 0.44 acres, as shown on the plat of survey entitled "Plat of 0.44 Acres to be Acquired By The City of Bedford fro Lawrence D. & Kitty F. Johnston..." prepared by City of Bedford Engineering Department, dated September 28, 2005; and

WHEREAS, Kitty Lee F. Johnston has delivered to the City of Bedford, Virginia, a proposed deed dated October 4, 2005, conveying the 0.44 acres as shown on the new City plat; and

WHEREAS, the City Council deems it in the best interest of the City to accept the proposed deed and to record a certificate to that effect in accordance with statutory provisions for acceptance of deeds of conveyance to municipal corporations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BEDFORD:

1. The City Council hereby approves acceptance of the Deed from Kitty Lee F. Johnston dated October 4, 2005, conveying the 0.44 acres in consideration of a total purchase price of \$3,000.00.

2. The Mayor, the City Clerk, and the City Attorney are hereby authorized and directed to execute for recordation an Approval and Acceptance of conveyance indicating such acceptance pursuant to Virginia Code Section 15.2-1803.

3. This Resolution shall take effect immediately.

**CITY OF BEDFORD, VIRGINIA
CERTIFICATE OF APPROVAL AND ACCEPTANCE OF CONVEYANCE OF
REAL ESTATE CONSTITUTING .044 ACRES ON THE SOUTH SIDE OF
ORANGE AVENUE BEING CONVEYED BY KITTY LEE F. JOHNSTON
(VIRGINIA CODE SECTION 15.2-1803)**

The undersigned Mayor and City Attorney of the City of Bedford, Virginia, hereby certify as follows:

1. William W. Berry, IV, City Attorney for the City of Bedford, Virginia, hereby certifies that he has approved as to form the Deed from Kitty Lee F. Johnston to the City of Bedford, Virginia, dated October 4, 2005, which conveys to the City of Bedford 0.44 acres on Orange Avenue.

2. The Mayor of the City of Bedford, Virginia, on behalf of the City hereby accepts delivery of the said Deed from Kitty Lee F. Johnston dated October 4, 2005, conveying the property therein described.

WITNESS THE FOLLOWING SIGNATURES AND SEALS:

CITY OF BEDFORD

By: _____
Its Mayor

SEAL

ATTEST:

Clerk of City Council

Accepted on behalf of the City:

E. Thomas Messier, Mayor

Approved as to form:

William W. Berry, IV, City Attorney

Prepared by:
William W. Berry, IV
206 E. Main Street
Bedford, VA 24523

TAX Map No. 197-A-5

Exempt from recording tax pursuant to
Virginia Code §58.1-811(A)(3)

THIS DEED, made this 4th day of October 2005, by and between
KITTY LEE F. JOHNSTON, party of the first part (Grantor); and **THE CITY
OF BEDFORD, VIRGINIA**, a Virginia Municipal Corporation, party of the
second part (Grantor).

WITNESSETH:

That for and in consideration of the sum of Ten Dollars and other
good and valuable consideration, cash in hand paid by the said party of the
second part, the receipt of which is hereby acknowledged, the party of the
first part does hereby GRANT, BARGAIN, SELL, ASSIGN and CONVEY, with
General Warranty and with English Covenants of Title, as defined in the
Sections 55-70 *et seq* of the **Code of Virginia**, 1950, as amended, unto the
said party of the second part, The City of Bedford, the following described
real estate, to-wit:

All that certain lot or parcel of land together with the
improvements thereon, and the appurtenances thereunto
belonging, situate, lying and being in the City of Bedford,
Virginia, containing 0.44 acres and designated as "Part &
Parcel" on a plat of survey entitled "Plat of 0.44 Acres to be
Acquired By the City of Bedford from Lawrence D. & Kitty F.
Johnston," drawn by the City of Bedford Engineering
Department, dated September 28, 2005, a copy of which is
attached hereto and made a part hereof.

It being a part of real estate conveyed to Lawrence D. Johnston
and Kitty Lee F. Johnston as tenants by the entirety with full
rights of survivorship by a deed from Jimmie J. Morgan, Jr.
and Mary H. Morgan dated May 23, 1972 and recorded in the
Clerk's Office of the Circuit Court of Bedford County, Virginia
in Deed Book 379, at page 783. Lawrence D. Johnston died on
May 23, 1987, survived by Kitty Lee F. Johnston, his wife
and fee simple to the property vested in her pursuant to the
survivorship provisions of the deed.

The party of the second part, as evidenced by its joining in this deed, agrees that the parcel of real estate conveyed herein shall become a part and parcel of the adjoining real estate owned by the City of Bedford fronting on the south side of Orange Street containing 2.098 acres which was conveyed to the City of Bedford, Virginia, by Lola M. Cofer by a deed of exchange, dated October 15, 1997, and recorded in the aforesaid Clerk's Office as Instrument No. 970012136, and shall for all purposes be considered as part and parcel of that real estate and the parcel herein conveyed shall not be conveyed as a separate lot without approval under applicable subdivision laws.

The conveyance and the warranty and covenants herein are made expressly subject to the conditions, restrictions, reservations, and easements of record in the chain of title, if any, constituting constructive notice thereof, or which are apparent upon an inspection of the premises.

WITNESS THE FOLLOWING SIGNATURES AND SEALS:

Kitty Lee F. Johnston

THE CITY OF BEDFORD, VIRGINIA

BY: _____
Its Mayor

SEAL

ATTEST:

City Clerk

STATE OF VIRGINIA,
COUNTY/CITY OF BEDFORD, to wit:

The foregoing instrument was acknowledged by Kitty Lee F. Johnston
before me this ____ day of October 2005.

Notary Public

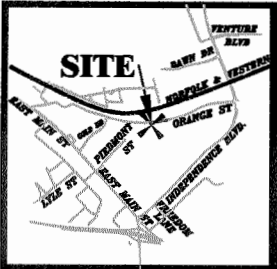
My commission expires: _____

STATE OF VIRGINIA,
COUNTY/CITY OF BEDFORD, to wit:

The foregoing instrument was acknowledged and signed for the City
of Bedford, Virginia by _____, its Mayor, and
Teresa Hatcher, City Clerk before me this ____ day of October 2005.

Notary Public

My commission expires: _____



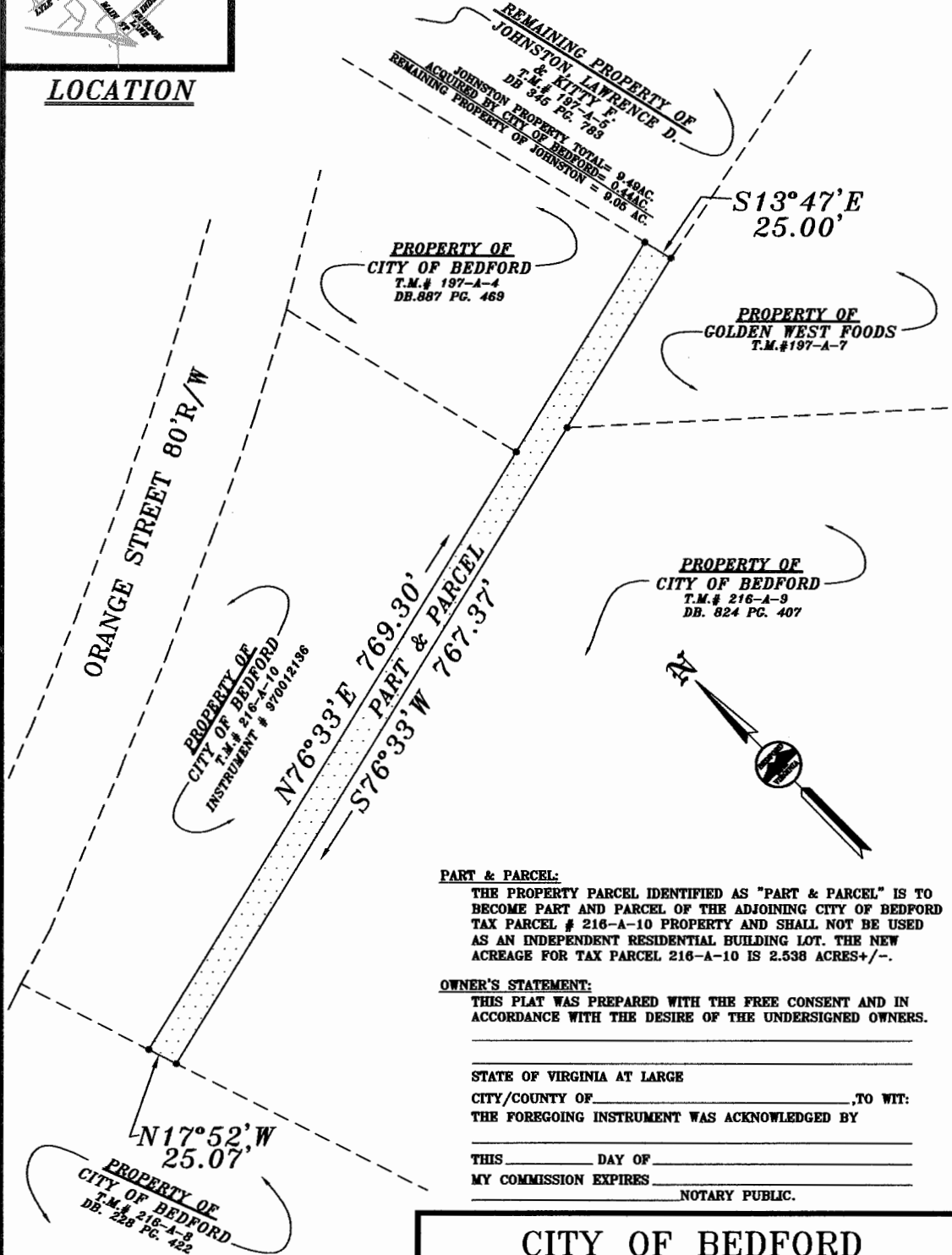
LOCATION

SOURCE OF TITLE:

THE HEREON PLATTED PROPERTY IS THE SAME PROPERTY AS ACQUIRED BY LAWRENCE D. & KITTY F. JOHNSTON BY DEED RECORDED AT DEED BOOK 345 PAGE 783.

NOTE:

SURVEY INFORMATION ON THIS PLAT WAS TAKEN FROM THE SURVEY PLAT OF "JIMMIE J. MORGAN JR. PROPERTY," DATED NOVEMBER 9, 1966 BY JAMES L. PATTERSON, RECORDED IN PLAT BOOK 5 PAGE 229.



PART & PARCEL:

THE PROPERTY PARCEL IDENTIFIED AS "PART & PARCEL" IS TO BECOME PART AND PARCEL OF THE ADJOINING CITY OF BEDFORD TAX PARCEL # 216-A-10 PROPERTY AND SHALL NOT BE USED AS AN INDEPENDENT RESIDENTIAL BUILDING LOT. THE NEW ACREAGE FOR TAX PARCEL 216-A-10 IS 2.538 ACRES+/-.

OWNER'S STATEMENT:

THIS PLAT WAS PREPARED WITH THE FREE CONSENT AND IN ACCORDANCE WITH THE DESIRE OF THE UNDERSIGNED OWNERS.

STATE OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, TO WIT:
THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BY _____

THIS _____ DAY OF _____
MY COMMISSION EXPIRES _____
NOTARY PUBLIC.

LEGEND

- =PROPERTY CORNER
- R/W =EXISTING RIGHT OF WAY
- [Dotted Box] =AREA TO BE ACQUIRED BY THE CITY OF BEDFORD

CITY OF BEDFORD ENGINEERING DEPARTMENT		
PLAT OF 0.44 ACRES TO BE ACQUIRED BY THE CITY OF BEDFORD FROM LAWRENCE D. & KITTY F. JOHNSTON.		
DRAWN: TROY BOWYER	CHECKED: _____	
TRACED: _____	APPROVED: _____	
REVISED: _____	DATE: 9/28/05	
SCALE: 1"=100'	NO. H-229	

**CITY OF BEDFORD, VIRGINIA
CITY COUNCIL
ACTION FORM**

ITEM: Lease of Property to Bedford Chamber of Commerce, Inc.

DATE OF COUNCIL MEETING: October 11, 2005

DATE: October 6, 2005

PRESENTATION:

The building used by the Chamber of Commerce and the parking area around it is owned by the City of Bedford, but has been used by the Chamber under a prior lease for an original term of 20 years, dated August 17, 1973, pursuant to an extension of 10 years granted under the original lease, and pursuant to continued occupation by the Chamber since that date.

The City Attorney has prepared a new lease of 5 years to be executed between the City of Bedford and the Bedford Chamber of Commerce, Inc. providing for leasing of the property by the Chamber from November 1, 2005 and terminating at 11:59 pm local time on October 31, 2010. Under the terms of the lease, the Chamber will pay \$1 per year in rent and agrees to maintain its headquarters and central office on the demised premises, and the Chamber, as lessee, is responsible for all repairs and maintenance. The City will be responsible for maintaining fire insurance upon the premises, and the Chamber will be required to obtain public liability insurance, insuring both the City and the Chamber.

Under the original agreements with the Chamber, the Chamber, at its own expense constructed the building which is owned by the City and during the 30 years of use, has made substantial repairs to the property. The City is the owner of the property, but provision has been made in the lease to recognize the Chamber's contributions toward improvement of the property by providing for a payment to the Chamber if it quits using the property in order to provide seed money for a future Chamber site. If the City elects not to continue the usage of the property by the Chamber and does not agree to a renewal of the lease at the expiration of the 5 years, the City shall pay the Chamber, as lessee, the sum of \$25,000 upon their vacation of the premises at the end of the lease. If the Chamber elects to terminate the lease and move or does not elect to renew the lease at the end of the 5 years, then the City shall pay the Chamber \$12,500 upon termination of the lease and vacation of the premises. Due to statutory and constitutional restrictions upon the ability of Councils to provide for payments in future years, the lease provides that the termination payments are subject to appropriation of the required amounts by the City Council in the year of such payment.

ACTION REQUESTED:

City Council is requested to approve the proposed Lease Agreement between the City of Bedford, Virginia and the Bedford Chamber of Commerce, Inc. dated October 11, 2005 and authorize the Mayor and City Clerk to execute the Lease Agreement on behalf of the City of Bedford.

		YES	NO	OTHER	ROUTING		
DATE: _____	FLOOD	()	()	()	CITY ATTY.	()	HR ()
	HUBBARD	()	()	()	CITY TREAS.	()	PKS/REC/CEM ()
APPROVED ()	MESSIER	()	()	()	COMM.DEV.	()	POLICE ()
DENIED ()	PADGETT	()	()	()	COMM.REV.	()	PUBLIC WKS. ()
DEFERRED TO:	STANLEY	()	()	()	ELECTRIC	()	SEWER ()
_____	THARP	()	()	()	ENGINEERING	()	WATER ()
	WANDREI	()	()	()	FINANCE	()	OTHER: _____
					FIRE DEPT.	()	

THIS LEASE AGREEMENT, made and entered into this 11th day of October 2005, by and between the CITY OF BEDFORD, VIRGINIA, party of the first part, hereinafter (referred to as “City” or “Lessor”); and the BEDFORD CHAMBER OF COMMERCE, INC., a Virginia Corporation (hereinafter referred to as “Chamber” or “Lessee”).

WITNESSETH

That for and in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

(1) PROPERTY LEASED:

The Lessor hereby leases to the Chamber and the Chamber hereby leases from the Lessor all that certain lot or parcel of land and the building situate thereon, (the “demised premises”) located within the City of Bedford, Virginia, at 305 East Main Street, more particularly described on a drawing entitled “Plat For Lease Agreement Between City of Bedford and Bedford Chamber of Commerce, dated September 23, 2005, a copy of which is attached hereto. The City reserves the right to use of the driveway as access to the public lots north of the demised premises.

(2) CONSIDERATION:

The consideration for the lease shall be \$1 per year in rent and the agreement by the Chamber to maintain its headquarters and Central Office on the demised premises in Centre Town Bedford.

(3) TERM, RENEWAL AND HOLD-OVER:

a. This lease shall be for the term (hereinafter referred to as the "term") of five (5) years commencing on November 1, 2005 and terminating at 11:59 pm local time on October 31, 2010. Lessee may terminate this lease at any time during the term by providing the City with no less than sixty (60) days written notice in advance of the proposed termination date.

b. Lessee has used the demised premises under a Memorandum of Agreement and Lease dated August 17, 1973, and during the term of that Agreement and extensions, lessee has constructed improvements and made repairs at its own expense. The parties contemplate the continuation of this arrangement, thus assuring the presence of the Chamber of Commerce in the downtown area, by execution of a renewal lease at the termination of the five (5) year term of this lease. However, if the Chamber does not continue to lease the demised premises and is not otherwise in default, the City, in consideration of such investments by the Chamber desires to provide for payment to the Lessee as set forth herein below in order to provide seed money for the acquisition of another location for the Chamber headquarters.

c. If Lessee is not in default and requests, in writing to the City, a renewal lease at least six (6) months prior to the termination of this lease and the City, within sixty (60) days of receipt of such notice, fails and refuses to grant a renewal lease, having a term of at least five (5) additional years, then

upon expiration of the lease and vacation of the premises, the City shall pay the Lessee the sum of \$25,000.

d. If the Lessee is not in default and either elects to terminate the lease prior to the expiration of the five (5) year term or does not request a renewal lease in writing at least six (6) months prior to the termination of this lease, then the City shall pay the Lessee \$12,500.00 upon termination of the lease and vacation of the demised premises by Lessee.

e. In the event that the Lessee shall not immediately surrender the demised premises to the City on the expiration date or earlier termination of this lease, the Lessee shall be deemed to be a month-to-month Lessee upon all the terms and provisions of this lease, except for the provisions of paragraph 3c and 3d, herein relating to payments to the Lessee. Such month-to-month term shall continue until either party hereto notifies the other in writing, by at least sixty (60) days notice before the first day of any calendar-month, that the party giving such sixty (60) day notice elects to terminate such tenancy at the end of sixty (60) days in which events tenancy shall so terminate. If the Lessee shall continue to occupy the demised premises after the expiration or earlier termination of the term or any written renewal or extension of the lease, such occupancy shall be deemed to be under a month-to-month tenancy. Such month-to-month term shall continue until either party hereto notifies the other in writing, by at least sixty (60) days before the first day of any calendar-month, that the party giving such sixty (60) day notice elects to terminate such tenancy at the end of the sixty (60) days, in which event such tenancy shall so

terminate. Any such month-to-month tenancy shall be upon the same terms and subject to the same conditions as those set forth in the provisions of this lease, provided, that if the City gives the Chamber, by at least sixty (60) days before the end of any calendar month during such month-to-month tenancy, written notice that such terms and conditions (including any there relating to the amount in payment of rent) shall, after such month, be modified in any manner specified in such notice, then such tenancy shall, after such month, be upon the terms and subject to the same conditions, as are modified.

f. The payments provided for in paragraphs c and d herein are subject to appropriation of the required payment by the City Council in the year of such payment.

(4) REPAIRS:

Lessee represents that Lessee has inspected and examined the demised premises and accepts them in their present condition, and agrees that Lessor shall not be required to make any improvements or repairs upon the premises demised or any part of them. Lessee agrees to make all improvements and repairs at Lessee's sole cost and expense, and agrees to keep the premises safe and in good order and condition at all times during the term, and upon expiration of this lease, or at any sooner termination, the Lessee will quit and surrender possession of the premises peaceably and in as good order and condition as the premises were at the commencement of the term, reasonable wear, tear and damage by the elements excepted; Lessee further agrees to leave the premises free from all nuisance and dangerous and defective conditions.

(5) ALTERATIONS, RENOVATIONS, AND REMODELING:

Lessor reserves the right to enter the demised premises for inspection. Lessee shall make no alterations to the building on the demised premises or construct any building or make other improvements on the

demised premises without the prior written consent of Lessors, which consent shall not be unreasonably withheld. Written consent may be given by the City Manager as agent for Lessor. All alterations, changes, and improvements built, constructed, or placed on the demised premises by Lessee, with the exception of fixtures removable without damage to the premises and movable personal property, shall, unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the demised premises at the expiration of sooner termination of this lease. All such work shall be done subject to the rules, regulations and laws of the appropriate departments or agencies of the City of Bedford, Virginia.

(6) UTILITIES:

Chamber shall be responsible for any and all utility services furnished to said building.

(7) RESTRICTIONS ON USE:

Said building shall only be used for headquarters of the Chamber of Commerce and related purposes. No use shall be permitted to be made that shall result in the waste of the premises or cause a public or private nuisance.

(8) LIABILITY OF LESSORS:

Lessee shall not hold Lessor liable for any damages from any cause whatsoever. Lessee hereby assumes all risks of every kind, whether to property or persons, in connection with the Lessee's occupancy or possession of the leased premises, whether the same arises from defects latent or patent in connection with the building or any part of the leased premises and whether or not the same were known by the Lessor at the time of the making of this lease and were not disclosed by the Lessor at the time or at any subsequent time. It is further covenanted and agreed that the Lessor shall not be liable to the Lessee for negligence, default, or misfeasance of other Lessees, if any, or employees of said building. The Chamber shall indemnify Lessor on account of any damage or injury to any person, or to the goods of any person arising from the use of the premises by the Chamber, or arising from the failure of the Chamber to keep the premises in good condition as provided herein.

(9) INSURANCE:

a. *Lessee to obtain public liability insurance.* Lessee, at its own expense, at all times during the term of this lease agreement shall maintain in force a policy or policies of insurance written by one or more responsible insurance carriers approved by Lessor, which will insure Lessor and Lessee against liability for injury to or death of persons or loss or damage of property occurring in or about the demised premises. The liability coverage under such policies shall include a minimum of combined single limit coverage in the amount of not less than \$1,000,000 per occurrence and general aggregate coverage of \$2,000,000.

b. *Lessor to obtain fire insurance on demised premises.* Lessor shall maintain in force at all times during the terms of this lease agreement a policy or policies of fire insurance to the extent of at least 100% of the insurable value of the demised premises. If permitted without additional charge, Lessor shall cause to be endorsed on their fire insurance and any extended coverage policy or policies a waiver of the right of subrogation.

c. *Lessee's waiver of casualty insurance proceeds.* In the event the demised premises shall be damaged or destroyed by fire or other casualty so insured against, Lessee shall claim no interest in any insurance settlement arising out of any such loss if the insurance premiums were paid by Lessor or if the Lessor was named as the sole beneficiary. Lessee shall execute all documents required by Lessor or the insurance company or companies which may be necessary for use in connection with the settlement of any such loss.

d. *Lessee's failure to insure.* Should Lessee fail to keep in effect and pay for such insurance as it is in this section required to maintain, Lessor may do so, in which event the insurance premiums paid by Lessor shall become due and payable forthwith, and failure of Lessee to pay such amount on demand shall constitute a breach of this lease agreement.

e. *Lessee's property.* Lessee shall obtain and maintain any other insurance that Lessee desires on the demised premises or on the personal

property of the Lessee on the demised premises at the expense of the Lessee. Any additional insurance desired by the Lessee may be written by any carrier selected by Lessee.

(10) DAMAGE OR DESTRUCTION:

a. In the event the demised premises are damaged by fire or other cause, Lessor, at its sole cost and expense as soon as reasonably possible thereafter, shall commence repair, restoration, and reconstruction of the demised premises and prosecuted diligently until completion. In the event the damage to the demised premises or the building in which the demised premises are located is of a nature that cannot be repaired, restored or reconstructed within ninety (90) days of the date of damage, or such longer period as may be mutually agreed by the parties, and subject in any event to *force majeure*, either party may cancel and terminate this lease agreement by giving the other party notice in writing of intention to cancel no later than thirty (30) days after determination that the repair will require more than ninety (90) days to complete, whereupon the term of the lease agreement shall terminate upon the thirty (30) days after such notice is given.

b. If the leased premises are damaged due to fire or other casualty, Lessee at its own cost and expense must remove its furniture and collections and other belongings from the leased premises as required by Lessor in order to repair and restore the leased premises.

c. Lessor is the sole judge as to the extent of the untenability of the leased premises and of the time required for the repair and restoration of the leased premises.

d. Lessor and Lessee each release the other from any liability resulting from damage by fire or other peril covered by extended coverage insurance with waiver of subrogation normally available in the Commonwealth of Virginia irrespective of the cause of loss.

e. Upon any termination of this lease agreement under any provisions of this section, the parties shall be released without further obligation to the other as of the termination date.

(11) DEFAULTS AND REMEDIES:

a. Events of Default. Any one or more of the following events shall constitute a material default and breach of this lease agreement by Lessee:

1. Lessee shall (i) apply for or consent to the appointment of a receiver, trustee or liquidator of the Lessee or of all or a substantial part of its assets, or (ii) file a voluntary petition in bankruptcy, or admit in writing its inability to pay its debts as they come due, or (iii) make a general assignment for the benefit of creditors, or (iv) file a petition or an answer seeking reorganization or arrangement with creditors or to take advantage of any insolvency law, or (v) file an answer admitting the material allegation of a petition filed against the Lessee in any bankruptcy, reorganization or insolvency proceedings, or (vi) an order, judgment or decree shall be entered by any court of competent jurisdiction, on the application of a creditor, adjudicating the Lessee as a bankrupt or insolvent or approving a petition seeking reorganization of the Lessee or appointing a receiver, trustee, or liquidator of the Lessee or of all or a substantial part of its assets, and that order, judgment or decree shall continue unstayed and in effect for any period of fifteen (15) consecutive days; or

2. The Lessee shall for any reason, vacate or abandon the demised premises. Vacation and abandonment includes, but is not limited to, any absence of Lessee from the demised premises or failure to maintain Lessee's headquarters and administrative office in the demised premises for a period of thirty (30) days or more. Termination of this lease by Lessee under paragraph 3 shall not constitute vacation or abandonment.

3. Lessee shall fail to perform, keep or fulfill any of the other covenants, obligations or conditions of this lease to be performed, kept or fulfilled by Lessee and any default shall continue for a period of fifteen (15) days after notice of it by Lessor to Lessee specifying the general nature of the default (or, if the default is of such a nature that it cannot be completely cured within such period, Lessee does not commence to cure the default within fifteen (15) days and thereafter proceed with reasonable diligence and in good faith to cure such default).

b. Notice of Termination. In the case of any event of default upon expiration of the applicable periods of grace above mentioned, the Lessor may give to the Lessee a notice of intention to terminate a lease after the expiration of ten (10) days from the date of giving of any notice, and on the date set forth in the notice the term of this lease and all right, title and interest of the Lessee under it shall expire as fully as if that day were the dates specifically set the expiration of the term of this lease, and Lessee will then quit and surrender the leased premises to the Lessor. If, upon receipt of the ten (10) day notice, Lessees proceeds promptly and with all due diligence to cure the default and then to prosecute the curing of the default with all due diligence within the ten day period, the time for Lessee to cure the default shall be extended for that period necessary to cure it with all due diligence, and the notice shall be of no force and the rights of the parties shall be the same as existed prior to giving of the notice.

c. Lessor's right of entry upon default. In the case of the happening of an event of default which is not cured within the time specified and upon expiration of the ten day notice of intention to terminate the lease, the Lessor and the Lessor's agents and servants may immediately or any time afterwards re-enter the leased premises and remove all persons and all or any property, either by any suitable action or proceeding at law or by force or otherwise, and the Lessor shall repossess and enjoy the leased premises together with all additions, alterations and improvements.

(12) NOTICES:

All notices under this lease shall be in writing and shall be effective when mailed by certified mail, return receipt requested, or when delivered personally to both Lessor and to Lessee at the following addresses, or such other address as may have been designated by written notice hereunder. The present addresses are as follows:

To Lessor:

The City of Bedford, Virginia
215 E. Main Street
P.O. Drawer 807
Bedford, Virginia 24523
ATTN: City Manager

To Lessee:

Bedford Chamber of Commerce, Inc.
305 E. Main Street
Bedford, Virginia 24523
ATTN: _____

**(13) REPRESENTATION ON BOARD DURING THE TERM OF THIS
LEASE:**

Lessee agrees that the City of Bedford shall designate the City Manager to serve as an ex-officio member of the Chamber Board. Such representation shall at the pleasure of the City Council. Such board member shall have full voting rights except as to matters involving the extension of this lease agreement.

WITNESS THE FOLLOWING SIGNATURES:

Approved as to form:

The City of Bedford

City Attorney

Its City Manager

Bedford Chamber of Commerce, Inc.

Its _____